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EMPLOYMENT AND THE LABOR MARKET

By CHARLES B. BARNES

New York State Employment Bureau

The subject of employment and the labor market is probably at this time exciting more general attention than ever before. We have had great financial depressions, during which the subject of unemployment was much discussed, but never in this country has the subject of employment and an adequate supply of labor been so generally considered.

It is fortunate that a great industrial state like New York has, at this time, the beginnings of an adequate public employment office system—an organized bureau which can not only be of great direct aid in the present emergency, but, what is of far more importance, an organization which can bring together up-to-the-minute data on the labor situation and thus be in a position to suggest ways, both to employers and employees, in which some of the present difficulties can be overcome, and point to remedies which will relieve the situation.

The organization of a State Bureau of Employment in New York was commenced in 1915, and at the present time the Bureau has offices in Buffalo, Rochester, Syracuse, Albany, and New York City, with small branches in Auburn, Oswego, Williamsburgh, and Long Island City. The Bureau has an administrative office in New York City, to which are sent daily reports from each office throughout the state. These reports from the large industrial centers of the state enable the main office to get a good general view of the labor situation.

As evidencing the activity of the offices in direct placement work, I quote you a few figures from the monthly statistics. During the past twelve months these offices have registered (both men and women) a few over 90,000 people, and received requests from employers for nearly 114,000 workers. The offices referred out to jobs over 111,000 persons. Up to this time, of the 111,000 persons referred, it has been definitely learned that 73,370 have actually secured jobs. Dividing these placements according to trades and occupations, we find that a few over one-half of them are in the manufacturing and mercantile pursuits, about one-third are casuals, domestics and hotel workers, and nearly 12 per cent agricultural. It will be noted that only 90,000 people were regis-

tered, while over 111,000 were sent out. The difference here is accounted for by the fact that the offices had many thousands of names on the registration lists prior to the twelve months' period for which we are giving the figures. The offices have been visited in this past year by many thousands more than the 90,000 spoken of. The pressure of work on our limited force at the present time does not allow the registering of each worker who comes to us, unless there is a job ready waiting to which he can be sent.

During the past two weeks, our offices in both the men's and women's departments have been visited by hundreds of workers. There is no office that does not report more than 100 applicants for work a day, and some of the offices report from 300 to 400 seekers for jobs. In spite of this fact, we hear on every hand about the shortage of labor. There is said to be a shortage of workers in the shipyards, a shortage of workers in the munitions factories, a shortage of workers in the knitting mills, and in many other places where war supplies are being made. Some of these reports are true, and others are mere exaggeration. In some cases employers give out the word that they will need 300 or 3000 workers, meaning thereby that they expect, in the course of the next six weeks or six months, to take on this number of workers, but the man who writes up the story knows that it does not sound "good" to spread the demand out over such a long time, and so we read in the headlines that such and such a place is needing hundreds of thousands of workers. For instance, on a certain day about the first of November, an article appeared in hundreds of newspapers, telling that 400,000 workers were needed in shipyards. About three days after this there appeared in the *New York Times* a triple-headed article to the effect that the Port Newark Terminal Shipyard needed 12,000 men and requested all men able to do work in this line to give up their jobs and go to the shipyards. On reading this article I first ascertained that our New York office had on that day between 400 and 500 men who were capable of doing work of this kind. I called up the United States Emergency Fleet Corporation, and got their employment manager. On stating that we were ready to send them men, I was informed by Mr. Brady that they did not need any men. When I quoted the newspaper article he said it was exaggerated. I then offered to send him a few skilled men in certain specific lines, which brought out the fact that he was troubled by personal requests of workers at the gates, and that he actually

had over 4000 registrations on his books, and was turning away men every day. This is but a single example, but we can duplicate this in every office throughout the state, so that this one case can be multiplied many times.

It is true we have, in the past few months, been unable to fill many orders, but mainly because these orders have called for certain technically trained workers in a line in which there is such a demand that all of the highly skilled in that particular line have been taken on.

Where we have investigated scarcity of labor, we have found three predominant factors: either the call was for trained workers in technical lines; or the demand was for husky laborers to do work calling for strong physique and endurance; or investigation showed that the employer was offering too low a wage, often coupled with long hours and bad working conditions.

The cure for the last factor of low wages and bad conditions is too self-evident to call for any comment.

As to the second factor, the call for laborers, especially laborers of strong physique, is a very fluctuating one, with the demand in most cases exceeding the supply. There would seem to be good reason to believe that there is an actual shortage in this line. Immigration of Huns, Poles, and Slavs has practically ceased. Many Greek and Italian reservists returned to their countries soon after the outbreak of the war. We have depended largely upon these races for our laborers and very few native-born Americans go into this field. In spite of all this, however, we have time and again in our different offices been able to fill orders for laborers where the wages offered were high. Apparently some of these applicants had left semi-skilled jobs because the wages offered for laborers were sufficiently above those paid for semi-skilled work to make common labor attractive.

As regards the first factor, the call for skilled and semi-skilled workers in technical lines, there is a steady and persistent demand for the very highly trained men. This, however, does not indicate a real shortage of labor. There is no real shortage of labor in this country as yet. There is, however, an apparent shortage which can be remedied by adapting ourselves to our changed conditions. Let us look into the facts as regards the labor loss resulting from the war, in New York State. The state census of 1915 showed a total population of 9,687,000. Calculating from the percentage of workers shown by the United States Census of

1910, there are at the present time in the state of New York about 3,300,000 persons engaged in gainful occupations. On the other hand, from the figures given out as well as from liberal estimates made, the Army, Navy and the Red Cross have taken about 140,000 men out of this total of over 3,000,000 workers. Another heavy military draft will have to be made before the labor power of the state is materially affected.

The truth of the matter is that until a very short time ago there has been a great loss of man power in this state because of unemployment. Everyone is aware of the fact that until three years ago an advertisement offering any position with fairly attractive wages would bring to factory or plant gates a large crowd of eager applicants. It is also well known that from all the work places in every industrial community there were turned away each morning hundreds of men willing to work. This meant a great loss of man power to the country, for these hundreds and thousands of workers lost anywhere from three days to three months finding a proper job, and the total loss of days' work calculated in man power was appalling. Society passed over this loss without notice save when it was emphasized by bread lines and soup kitchens. Now we realize what we were wasting and are commencing to take up the slack, though even yet hundreds are turned away from various plants every morning.

"But," says the employer, "these men are not trained or are unfit and I must have trained men right away." Granted that a small percentage of the men are unfit and that only a few of them are technically trained, then the only answer is that employers at their own or at government expense must train these men. The United States is just now teaching thousands of men how to shoot a gun and handle a bayonet. Is it not just as desirable, in this emergency, to teach men how to handle a tool and a machine? Many thousands of the soldiers are at this time just as unfamiliar with the rifle and the bayonet as are thousands of workers with the tool and the machine. More men than are now trained will be needed to do the technical work coming into existence through the needs of the war. There are enough human beings to do this work and now is the time to prepare for the training. The necessity for this training is not just now so apparent, because the real labor shortage is not yet here. This, as we have already said, is not only shown by the number of workers coming to our employment offices, but in the last few weeks we are

constantly hearing from our offices throughout the state of this plant here and that plant there laying off men. Sometimes it is only 20 or 30 men. Other times it is from 300 to 500. We have the actual data of the name of the firm and the number laid off in hundreds of cases. Various causes are assigned. Lack of materials—generally steel or coal—is the main reason given. Some plants tell that the government has requested them to reduce their output because it is nonessential. Then, too, it is a transition period. Certain plants have closed down so that they may change their machinery to make a product they have not heretofore produced.

It is at this point that the usefulness of the public employment offices becomes so apparent. When men are laid off at one place, there should be a common center to which they can turn to learn all about the openings either in their own vicinity or in the country at large, to the end that there shall be as little loss of time between jobs as possible. The importance of public employment offices is now recognized on every hand. The American Federation of Labor at Buffalo demanded the establishment of a national bureau of employment, not only for the present needs, but for future aid in the demobilizing of our army. The creation of such a bureau is called for by the American Association for Labor Legislation, the United States Labor Department, and the United States Shipping Board.

In the meantime the newspapers continue to proclaim a great shortage of labor and to recite stories of abnormal earnings, especially in munition factories. This adds to the general restlessness caused by the fact that we are at war and results in much shifting of workers, with great increase of "turnover" and the loss of man power. In many cases where labor shortage is spoken of, what is really meant is the "turnover." A worker reading of labor shortage and of large earnings gets restless, quits his job, and goes hunting the wage El Dorado. In truth such places are not many. Where a contractor has a government job on a cost-plus-profit basis there is the temptation to make the labor item high, for his percentage comes from this item as well as the item of materials. But inquiry as to wages made in a large munitions plant with a straight government contract brought the answer that the average wage of the 3000 employees was "about \$3.00 per day."

To sum up: There are in this country enough human beings

potentially capable of doing all the work required, and that too without materially (as yet) increasing our number of women workers. But large bodies of workmen will have to be trained and retrained to meet new technical needs, and employers must face the problem of doing this training. It should be faced now, for until it is done the method will be for one employer to steal workers from the other, a method more than wasteful. This is already being done to such an extent that whole communities are hiring so-called employment experts, whose only experience is shown in stealing trained workers from other communities. While we are doing this stealing in our effort to avoid spending the time and money to train men, we are jeopardizing the lives of our boys in the French trenches. When employers have been approached on the subject of training men they have refused on the ground that as soon as they get them trained the men will be stolen from them.

The only remedy is coöperation. Might I suggest that a conference of employers and representatives of labor be called in each industrial center, or for the country as a whole? This conference should consider the subject of training workers, the number necessary in each industry, the number to be trained by the different plants, and the aid which could be given by those industries not then needing trained workers. Not only could workers be trained in the factory, but every plant turning out machines could train workers as the machine was building, so that with every machine sent out there would also go a trained operative. In order to lessen the necessity for all-around mechanics who require long training, the subdivision of work into operations ought to be carefully considered. Government contracts should not be allotted beyond the ability of the section to furnish the necessary labor, thus saving the shifting of workers. A firm with a contract which must be finished in six months sends out an appeal asking that hundreds of workers be sent from another community. Work is more mobile than labor.

It would be presumptuous for me to enter into too many details. That is the province of the conference. But it will not do to put this matter off until "a more convenient season." We have too long considered this war a side issue. It is time we realized otherwise. Let us profit by a page from England's bitter experience.